



Universum Global

Unleashing the power of talent: A critical assessment of
Universum's business opportunities in University Branding

Work Project Spring 2016

Nova School of Business and Economics

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List of Abbreviations

BOS – Blue Ocean Strategy

BP – Business Project

CAGR – Compounded Annual Growth Rate

CMO – Chief Marketing Officer

EVP – Employer Value Proposition

HE – Higher Education

HEI – Higher Education Institution

HR – Human Resources

NY – New York

RBV – Resource-based view

ROI – Return on Investment

US – United States

USP – Unique Selling Proposition

UVP – Unique Value Proposition

VRIO – Valuable, Rare, Inimitable, Organizational embedded

Abstract

The primary purpose of this study is to investigate the company Universum and its opportunity to replicate its business model from Employer Branding to University Branding. In specific, the company requests a consulting advice whether Higher Education (HE) branding is a viable business opportunity and how Universum can generate sustainable competitive advantages in the US market. By performing an in-depth analysis of macro trends of the HE market and university branding, assessing competitors as well as analyzing the potential among customers, this report will discuss strategic options and highlight a final recommendation on the possible expansion into HE branding.

Keywords: Universum, university branding, higher education, Blue Ocean Strategy

I. The Work Project in a Nutshell

1.1 The Client – Universum Global

Universum Global is a Swedish company that provides employer branding solutions, namely research-based reports, digital activation strategies and consulting services, to more than 1,200 companies worldwide. The company was founded in 1988 with the goal to “create the best possible match between employers and talents by providing knowledge, guidance and actionable insights.” (Universum 2016). Through this mission statement, it is the client’s profound believe to design a better talent market that contributes to the success of talents and employers and ultimately to a better world. As a high-growth company, Universum fosters a young, entrepreneurial and global culture that stimulates innovative bottom-up strategies through dispersed decision-making and fluid organizational roles and boundaries. The extent to which the client encourages opportunity-seeking behavior in employees was visible in the University Relations team’s initiative to explore higher education branding, which set the trigger for this business project (Beaussant 2016).

1.1.1 Business Model

Data collection is at the heart of Universum’s business model. Three channels, namely *universities*, *social media* and *partnerships*, enable Universum’s Data Collection team to distribute its Ideal Employer Survey to millions of students, graduates and professionals each year (Barraclough 2016). Particularly the relationships with *universities* grant access to a vast pool of talents. Surveys are mostly distributed through the universities’ career offices in exchange for university benchmark studies compiled by the client. *Social media*, in particular Facebook advertisement, has developed into another important channel to source data for a more complex group such as Gen Z¹ or students from underdeveloped countries in which the client has not set up a survey infrastructure. Moreover, through *partnerships* with organizations such as the entrepreneurship promoter ENACTUS and the foundation Golden Key, the client can source

¹ Gen Z refers to the cohort of people between approx. 13-18 years that have a high affinity towards social media and technology

students and graduates from specialized talent groups. The evaluation is based on 40 attributes in the areas of Employer Reputation, Job Characteristics, Remuneration and Advancements as well as Culture and People. These attributes are consistent over time in order to allow for meaningful historical comparisons, and at the same time adaptive to include newly arising trends such as purpose-driven criteria.

1.1.2 Business Unit Strategy

Through the feedback of millions of students, graduates and professionals, the client is able to provide employers research-based reports, communication strategies and consulting services related to employer branding. These activities are bundled in three business units, called *Research*, *Brand Activation* and *Consulting* (Beaussant 2016).

The *Research* team works mainly on flagship reports, which are standardized and cover topics such as industry benchmarks, talent communication, internal identity or employer perception. The current strategic direction aims towards technology-enabled services, called Software as a Service (SaaS), in which applications are made available on demand to its customers via the Internet. Coupling this SaaS with a membership model is believed to boost repeat purchases.

Under *Brand Activation*, the client provides services that actively work with brand implementation and improvement. Universum identified the greatest potential in social media activation. In this area, a customer's HR branding is activated through the use of Facebook, YouTube, Instagram and twitter. However, the core of social media is based on "story telling" via Facebook where Universum has the largest expertise and the best ROI performance. The activation business has tripled over the last years and features the client's strongest growth.

Consulting services include customized and ad-hoc data collection to tackle client or industry-specific inquiries and advisory support on customers' Employer Value Proposition (EVP), which is defined as unique set of offerings and values that positively influence the perception on employers. Those consulting services are rather diagnostic than strategic-oriented.

1.2 Market Overview – Higher Education market

Due to the limited space available in this report, the study will mainly focus on the Higher Education (HE) landscape in which Universum is seeking to expand, not the current Employer Branding sector. This overview gives insights from the perspective of (1) Competitors and (2) Customers as well as presents general trends of the (3) Higher Ed sector and on (4) Branding.

1.2.1 Competitive landscape

Potential competitors operating in the HE branding sector, can be classified as brand agencies that are specialized either on research, consulting or creative content production. Moreover, marketing firms focussing on digital and/ or traditional marketing expand the competitive landscape into a highly competitive and fragmented market with many localized players. Most of them are based in the US and focus exclusively on HE branding (AMA 2014). A cluster of competitors based on HE expertise and product scope, puts a focus on Brand Champions that offer full service, integrated marketing solutions, including traditional media as well as Brand Specialists that act as niche players for consulting, research and digital activation services (see Figure A). Looking at the overall competitive landscape it can be derived that the HE branding market is in the late growth stage and globally, the US is the most advanced market.

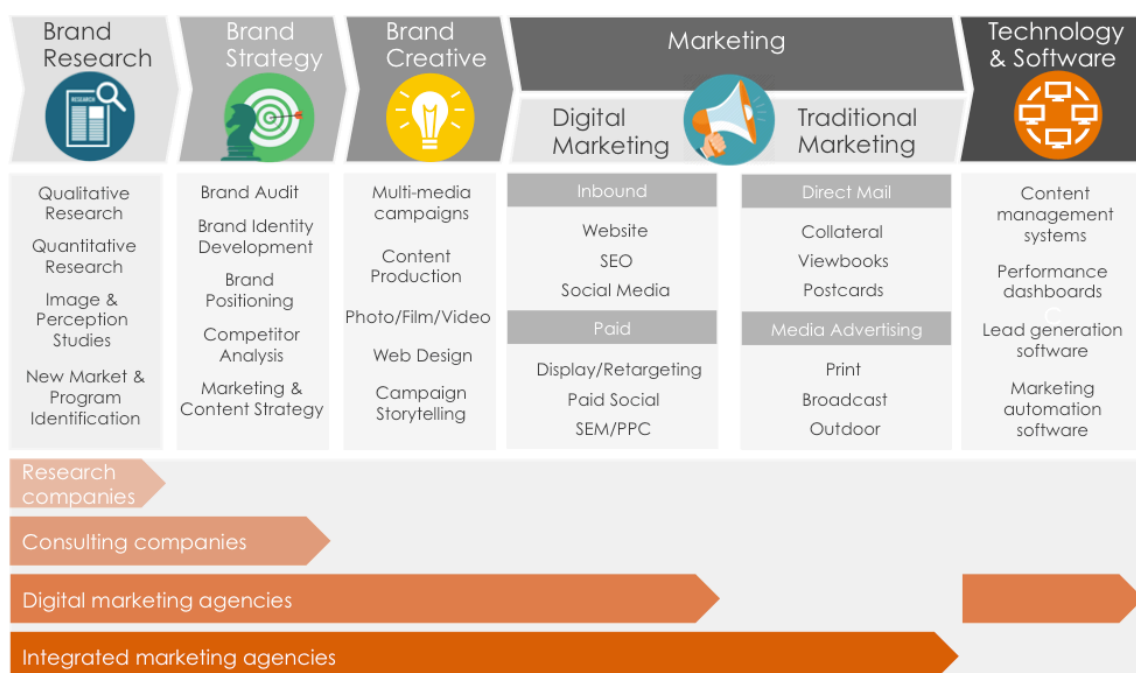


Figure A

1.2.2 Potential Customer market

The customer base that will be addressed through university branding are Higher Education Institutions (HEIs) that offer a formal learning to students. As the global HE market is very complex and nationally diversified, the client agreed to put a focus on the US as it is by far the most advanced university branding market globally, which manifests itself in lower entry barriers due to the widespread adoption and acceptance of branding at HEIs. While the maturity also means stronger competition and branding sophistication, the sheer size of the market (highest number of HEIs per capita) lends support to the notion of substantial prevailing business opportunities in the US HE market. Further, to limit the complexity of the HE system within the US, which encompasses a diverse set of 4,664 HEIs and are subdivided into undergraduate, graduate and professional schools such as business and law schools, a qualitative pre-selection of the most promising university segment has been conducted (see Annex 1). In short, the client's lack of existing relationships and survey delivery infrastructures at high schools presents a significant challenge when considering the undergraduate segment. To survey prospective undergrad students requires a data collection through other channels like social media, which implies higher data collection costs. Similarly, prospective MBA students were found to be difficult to survey since most of them are not accessible through HEIs as they tend to gain work experience before joining a MBA program. In contrary, Universum can draw from established relationships with graduate schools to facilitate the customer acquisition process when selling data, consulting and activation services (Beaussant 2016). Hence, graduate schools have been selected as final customer group within the US HE market.

1.2.3 General Trends in US Higher Education

Two fundamental external forces were found to confront HEIs in the US (see Annex 2). On one hand, governmental budget cuts, a soaring competition among an increased number of HEIs and the decreasing enrollment of the primary student demographics result in funding pressures. On the other hand, students increasingly question the value for money of education due to high

tuition costs, more sophisticated demand and improving transparency and comparability (The Economist 2014). Taking both forces, the need to attract target students, boost profit per student and strengthen the relative position indicates strong demand properties for HE branding. Current trends on branding are expanded in the following chapter.

1.2.4 Trends in Higher Education Branding

Many academic institutions increasingly allocate resources to branding activities and recruit marketing experts to build their brand (Hanover Research 2015). More competition among universities is one of the key motivations behind initiating a brand strategy project and the primary aim is to increase institutional awareness and attract a larger and more diverse group of students (mStoner 2015). Branding efforts further aim at creating loyalty among faculty, parents, alumni and donors. In concrete, larger universities conduct primarily integrated brand strategies, while most HEIs base their branding and marketing strategies on online and digital solutions. Close to all institutions use social media and many spend less on traditional marketing. A good website remains one of the most crucial channels for branding but website personalization and optimization are increasingly more important. As branding efforts are increasingly directed to digital platforms, web analytics is becoming a central tool to measure and analyze data in order to optimize digital marketing. Similarly, marketing automation is on the rise, which enables integrated marketing on multiple platforms, such as email, social media, content marketing and websites. It is used to collect and segment extensive amounts of data on student behavior in order to personalize communication (Hanover Research 2015).

1.3 Current client situation

As of today, the company has more than 200 employees and operates across 46 countries worldwide. Universum is the global leader in employer branding, supporting companies to understand, attract and retain current and future employees. As early adaptor of the rising employer branding topic, the company has generated a client base of 1,200 companies and

achieved through its aggressive expansion a strong sales growth of approximately 20% year-over-year the past years. The US is Universum's largest market by revenue and accounts for about 25% of its employer branding business. With 30 staff, 200 clients and an extensive database of over 72,000 US students, the US is a key market for Universum (Murray 2016).

1.4 The Business Project Challenge

Building on the client's situation, the challenge of the BP was to assess whether the business model of Universum used for Employer Branding could be replicated for the HE branding market. It was the belief of the client that in case of equal circumstances, the prevalent and successful methodology could be used to address an entirely new market segment. Therefore, an in-depth understanding about the differences between the customers' needs and competitors' offerings of companies relatively to universities was critical so that an assessment of a viable business model replication can be conducted. Also from operational standpoint, the BP brought challenges due to the geographic distance to the primary client based in New York (NY) as well as to the target customers, namely HEIs with graduate programs in the US.

II. Reflection on the Work Done

2.1 Problem Definition

Through Universum's strong international expansion and growth in the past years, the client has reached a point at which a strategic lookout for new business opportunities is critical to ensure business growth (Vernon 2009). Hence, the BP challenge is designed to support Universum in identifying such opportunities in order to (1) allow a business diversification, (2) reinforce competitive advantages and (3) safeguard long-term growth targets.

Firstly, the current business model of providing employer-centered branding services entails significant business risks due to strong budget cyclicalities in the private sector and rising opposition from competitors or inhouse data analytics. Expanding into university branding can diversify part of this volatility since (1) university budgets commonly develop more smoothly

and (2) the demand for university branding will grow sustainably, driven by increasing competition and demographic factors in the HE market (see section 1.2.1).

Secondly, Universum's current competitive advantages lie mainly in its extensive career preference database and its know-how in providing analytical brand consulting to employers. However, these advantages are increasingly threatened by rising digital technologies such as professional networks (e.g. LinkedIn) and big data analytics (Barracclough 2016). With university branding as a new business area, Universum would strengthen its data edge through preference insights from students towards HEIs. It would further develop more effective partnerships, allowing Universum to act as intermediary of an integrated talent market.

Thirdly, given a successful business case in the field of university branding, Universum is expected to generate sizable new revenue streams that help reach its aggressive growth targets and realize scale economies based on its largely fixed cost structure.

2.2 Hypothesis

Derived from the problem definition, two fundamental lead questions can be pronounced that built the fundamental basis to develop the underlying hypotheses of this study: (1) Can HE market be the desired new business branch for Universum that diversifies the client's business, reinforces its UVP and ensures growth in long-term? (2) And if so, how can Universum enter the HE market the best way to safeguard sustainable success? As the client provided a clear understanding of its desired outcome, the hypotheses of this study have been pre-defined and manifested before the initial project stage as the following:

H1: University branding within the Higher Education sector provides a viable business opportunity for Universum

H2: Universum can enter the Higher Education market by leveraging competitive advantages that have been developed through its employer branding business

2.3 Methodology

The applied process plan to test the pronounced hypotheses is inspired by Lundeberg's (2006) Y-model and split into three phases, namely (1) Situational Analysis, (2) Problem Analysis and (3) Solution / Recommendation (see Figure B).

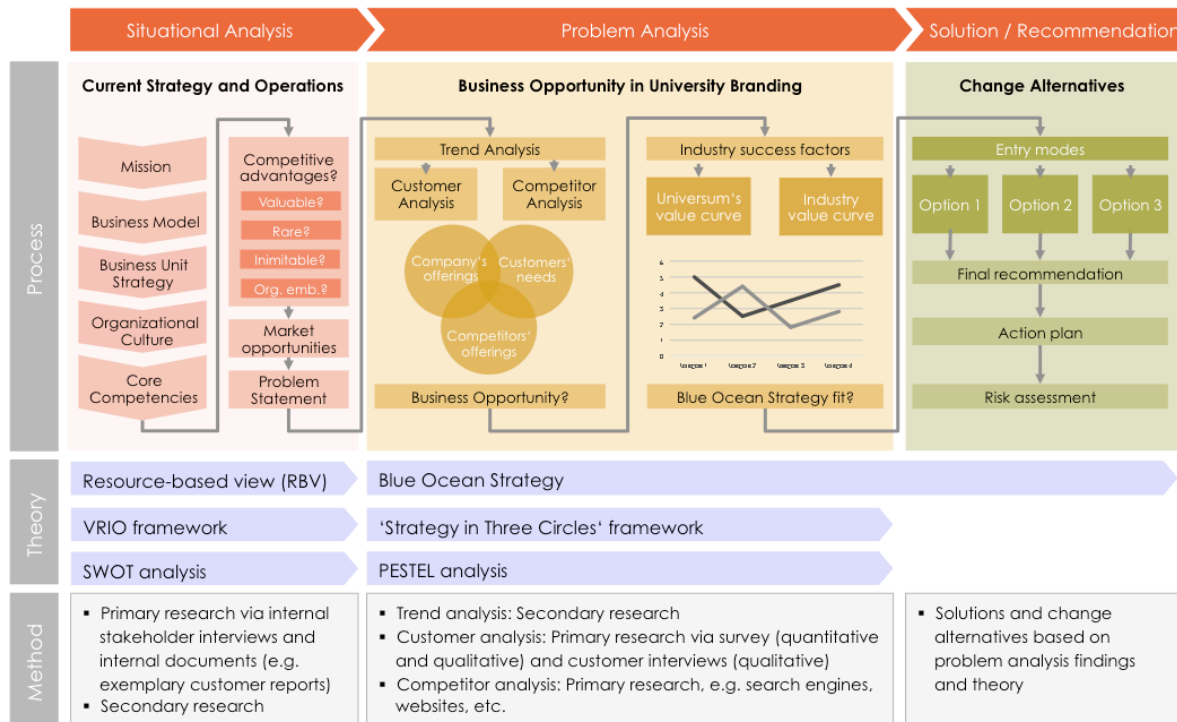


Figure B

After narrowing down the scope, the primary purposes of the project was to investigate Universum's potential to leverage competitive advantages based on its resources and capabilities, and replicate its successful business model in the university branding market. Following, a diagnostic view on the client's current situation was taken. Through an in-depth study of the mission, strategy and current business model, Universum's internal strengths and weaknesses were identified. Subsequently, the detected core competencies were analyzed in accordance with the VRIO concept (Barney 1995) to ascertain if resources can be considered as sustainable competitive advantage in line with the resource-based view (RBV) that can support the intended future situation to expand its business into the HE sector. Within the problem analysis, firstly light was shed on industry characteristics and attractiveness by examining HE branding trends. Further, Universum's value position relative to consumers' needs and competitors' offerings was

investigated by taking the ‘Three Circles’ as an analytical framework to obtain actionable insights on business opportunities (Urbany and Davis 2007). Building on this, the value curves of the industry and Universum were drawn and analyzed. From those results, strategic options were derived with a final recommendation for Universum to enter or discard the HE market. Ultimately, a Go-to-Market strategy based on existing core competencies was proposed allowing the client to explore and penetrate the market.

2.4 Analysis

2.4.1 Situational Analysis

One of the primary purposes of the project was to investigate Universum’s potential to leverage its competitive advantages based on its established resources and capabilities. Following an internal analysis, the Universum’s mission, strategy, business model and internal strengths and weaknesses were assessed. In this regard, the client’s current firm-specific advantages (FSA), capabilities and core competencies have been analyzed in order to detect if Universum entails core competencies that are transferable from the employer to university branding market. FSAs reflect the firm’s distinct strengths vis-à-vis rivals, and are the source of its competitive advantage in the marketplace. Concurrently, capabilities reflect the ability to combine such resources into bundles in unique ways, which are hard to imitate (Verbeke 2013). Core competencies significantly contribute to perceived customer benefits, drive performance and are based on the notion of the RBV. A SWOT analysis of Universum served as foundation to assess its interdependent strengths (see Annex 3). From this, three core competencies can be derived: (1) Expert in data-driven branding, (2) Unparalleled global partnership network and (3) Cost-efficient and scalable business model. Those are analyzed according the VRIO concept and summarized at the end of this chapter (see Figure C).

First of all, the client has the largest *career preference data set* in the world. This resource adds value to the client, as the vast sample size not only validates its research but also reflects a unique selling proposition (USP) towards its customers, and thus can be considered rare. The question

whether this resource is imitable is more controversial. A duplication of the data collection model is feasible as competitors specializing in talent recruitment expand their activities. However, they will face significant barriers in achieving a similarly extensive data pool spanning across nearly 60 countries. The largest competitive threat is posed by LinkedIn, which has access to extensive recruitment data. Nevertheless, LinkedIn currently lacks the capacity to provide longitudinal data on trends and disruptive changes in employer branding. Further, it has so far not managed to fully capitalize on its data potential and positioned itself in the expensive headhunting niche of the recruitment funnel. In contrast, Universum bases its entire business model on data collection and exploits the full competitive data advantage, which enabled it to become the market leader in employer branding.

Second, the client's success is built upon *strong relationships* with universities and partners. Over 2,200 universities are currently part of its partnership network. Universum generates value by providing the universities with critical benchmark insights, while using the institutions as distribution channels to target students. This win-win situation results in a fruitful symbiosis that can be considered valuable. Additionally, the global reach and maturity of relationships are rare and difficult to imitate since competitors would need to offer distinct incentives to launch new collaborations. Since no other company is able to provide universities with benchmark surveys of a similar sample size as Universum, the relationship network is considered difficult to substitute, representing the efficient organizational use.

Third, the *business model* of Universum is simple and based on low-cost "sourcing". Coupling the scalability with an aggressive drive for international expansion, the client was able to generate a sales CAGR of 20% in recent years. With the global rise of HR Branding (Lievens and Slaughter 2015), emerging and developing markets provide ample opportunities for further organic growth. Universum's data collection channels constitute its low cost structure, which mostly consists of personnel expenses. It can thus heavily capitalize on fixed-cost depression

when scaling the business. In terms of VRIO, the scalability of the business model is highly valuable for the client. As a first-mover and niche market leader, this capability can also be acknowledged as rare. Nevertheless, the model of distributing surveys and selling data to the private sector remains simple and is therefore prone to imitation.

Core competencies	Valuable	Rare	Inimitable	Organizationally embedded
Data: Capacity to source / analyze a vast amount of longitudinal preference data	✓	✓	(✓)	✓
Relationships: Extensive partnership network with universities / institutions	✓	✓	(✓)	✓
Business Model: Scalability and cost-efficient "sourcing"	✓	✓	×	✓

Figure C

Based on Ansoff's (1957) planning matrix, Universum's most appealing option is to offer its successful branding products to new market segments and thus pursue a market development strategy. The established relationships and expertise with universities motivated Universum to consider an upstream expansion into the HE market, which seems intuitively appealing. As data collection capabilities and resources have been professionalized over the years, the client can make use of learning-curve effects to gather data from additional segments, such as high school students or undergraduate students, which can then be analyzed and sold to the educational sector. However, in particular its business model is prone to imitation and therefore, need to address a specific gap within the HE sector so that the full potential can be exploited. This notion creates the basis for the Problem Analysis in which an ideal business opportunity is determined that Universum can seize by leveraging its competitive advantages.

2.4.2 Problem Analysis

To reach a compelling Strategy Analysis, a focus was firstly put on secondary research to get an understanding of *macro trends* within the HE market and university branding in the US. We

identified funding pressure due to governmental budget cuts, a soaring competition and a decreasing number of enrollments, as well as increasing rate of students questioning the return on investment of costly post-secondary education as fundamental challenges for HE institutions in the US (Chegg and mStoner 2015). Those evolving trends indicated opportunities to enhance branding efforts in the HE market in the US (see section 1.2.1). Incorporating insights from customer and competitor side was necessary to extend the evaluation and to include the key stakeholders of Universum's potential business environment. In this regard, the 'Three Circles' framework was used as overarching framework (Urbany and Davis 2007), which integrates (1) customer's needs, (2) competitors' offerings and (3) client's service offering with the aim to identify a potential opportunity gap for Universum.

The *customer analysis* was structured as a two-stage process, involving an extensive survey among 600 HEIs in the US and qualitative interviews with a selection of university representatives and branding experts. The survey was designed to investigate HEIs' current practices, motivations and objectives for branding (see Annex 4). Based on 27 survey responses and 10 qualitative interviews from both large public and smaller private universities, a high strategic relevance of branding was articulated while almost all schools detected deficits in their current branding. Evaluating the responses in terms of brand strategy, governance, activation and communication, a lack of implementation know-how and strategic expertise as well as a need for result-driven recruiting was identified (see Annex 5).

Within the *competitor analysis*, the business model, product portfolio and target customers of 25 incumbents on a global level have been evaluated. Most of them are integrated or digital marketing agencies that focus on private and public institutions within the HE market in the US (AMA 2014). The results are visualized in Annex 6 and can be summarized as the following. Firstly, the average competitor is a mature US marketing agency focussing exclusively on HE branding. Secondly, particular strong competitive offerings in the areas of consulting and

research have been detected, indicating the largest business potential in digital activation. Thirdly, rivals primarily target US private and public HEIs, and are rarely niche players. After breaking down the customer demand and competitors' product portfolio into Universum's business areas, Activation, Research and Consulting, an opportunity gap in particular in the area of brand activation was detected. The 'Three Circles' framework, presented in Figure D, summarizes this opportunity gap by defining areas in which a Point of parity (see area A), a Competitors' point of difference (B) or an Opportunity gap (C) evolve.

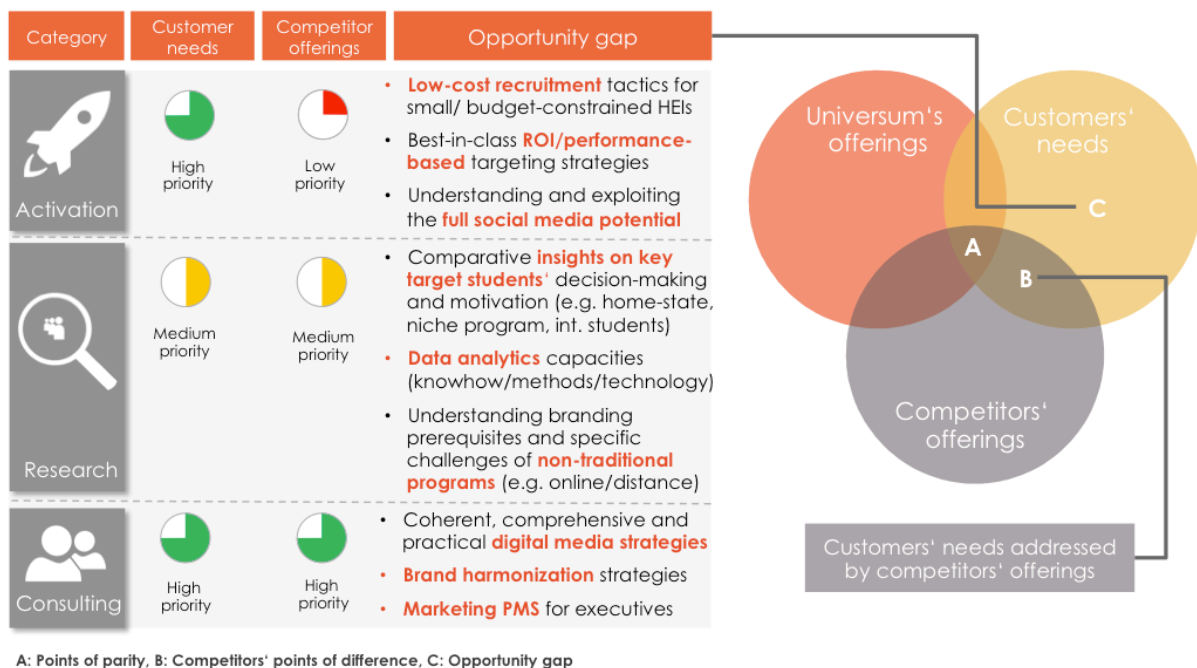


Figure D

A. Points of parity

- Products in brand research, consulting and implementation
- Social media activation as growth business
- Tech-driven innovations such as data analytics
- Longstanding experience in higher education sector

B. Competitors' points of difference

- Decades of university branding expertise, strategic consulting and creative execution
- Full-service marketing, including media advertising and content production
- Established relationships and track record with HEI marketing and admissions staff
- Expert knowledge within home market

In a subsequent step, the 'Three Circles' framework helps crystallizing Universum's key differentiators for a potential market entry and how they can be leveraged to capitalize on unmet customer needs. The key differentiators can be aggregated to (1) superior research and benchmarking capabilities (2) international scope and scalability and (3) a high potential for technology-enabled and performance-driven branding automation. Those competencies lead to Universum's point of difference (X) reflecting the business potential within the HE sector. Those results are portrayed in Figure E and show its highest potential within brand activation.

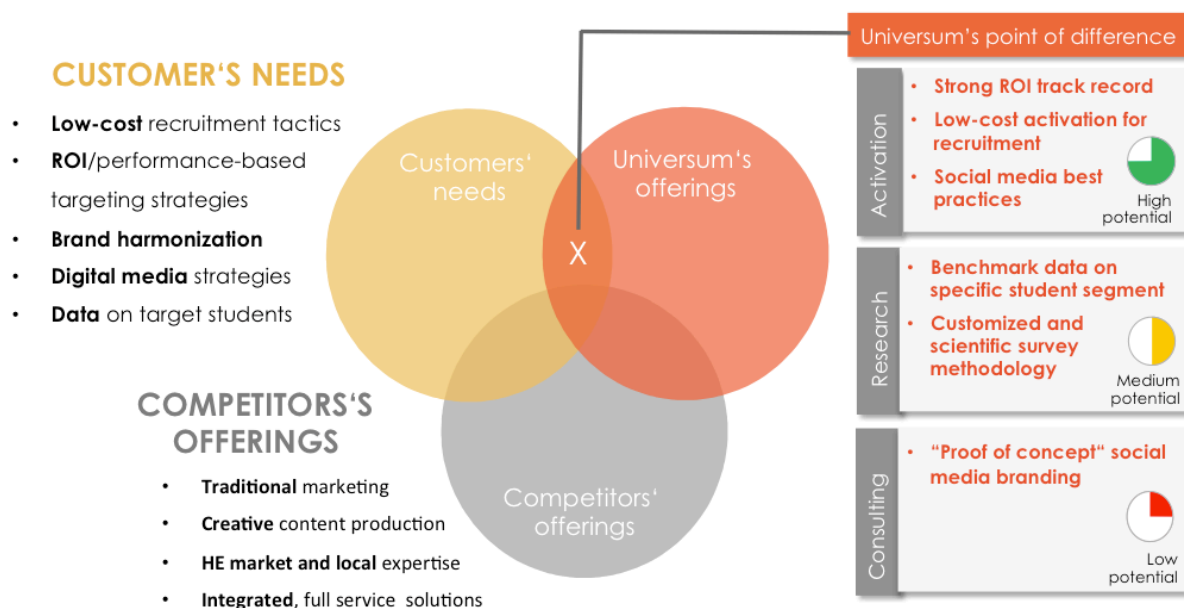


Figure E

Comparing these advantages to Universum's core competencies reveals a high level of compatibility, which suggests that the client is well positioned to exploit the prevailing market opportunities in the HE branding market. However, as a business opportunity only provides insights to one side of the coin, a strategy to develop a sustainable market leadership position that addresses the identified opportunity gap, is considered fundamental. In this regard, a solution focussing on the feasibility of a niche positioning strategy as potential mode of entry was assessed. To identify an untapped market space and leverage Universum's UVP, the concept of a Blue Ocean Strategy was selected which relies on the notion of value innovation (Kim and Mauborgne 2004). Using a strategy canvas to derive the industry and company value curves, key

industry success factors were assessed. Building on Universum's key differentiators in Social activation, ROI performance, International scale, Employer know-how and Speed of execution, the client is recommended to address the opportunity gap in the HE market by leveraging those value factors (see red area in Figure F).

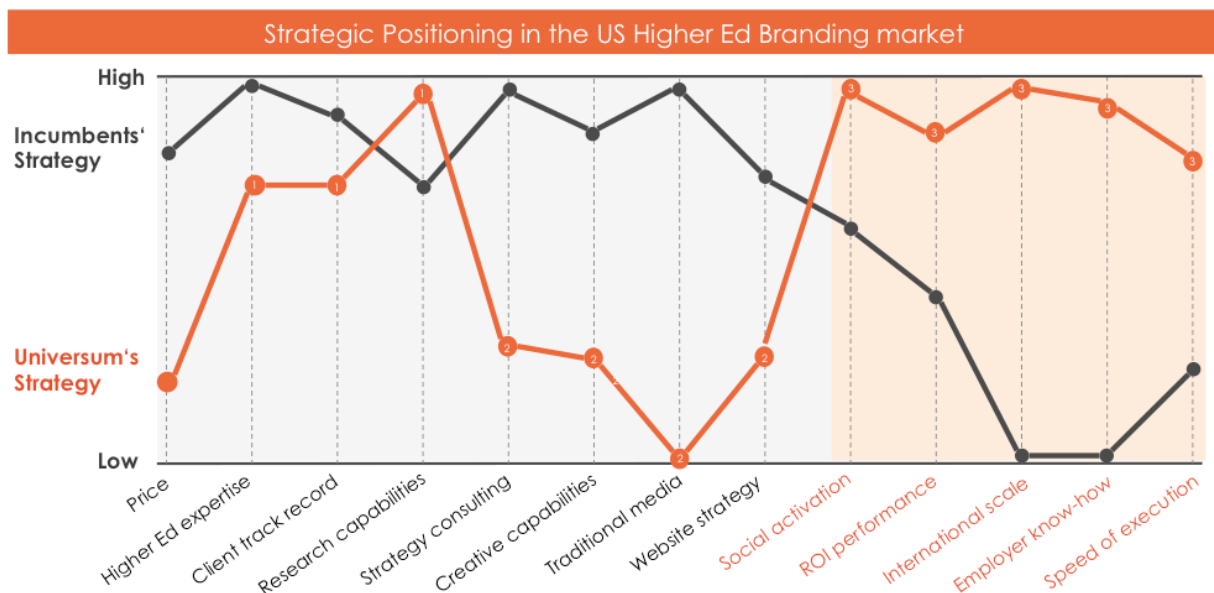


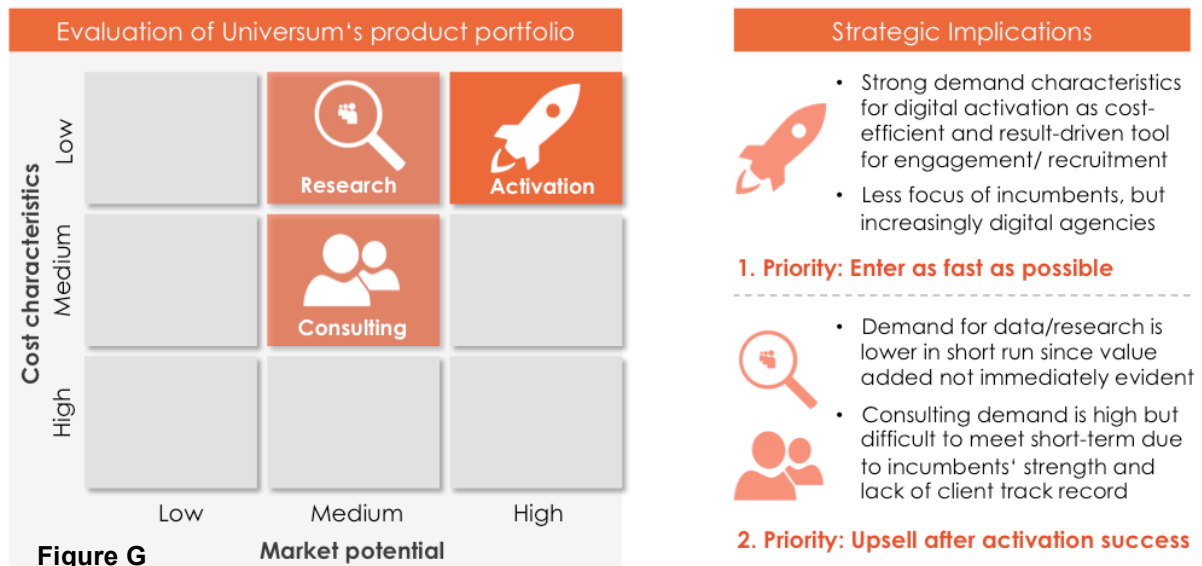
Figure F

2.4.3 Recommendation / Solution

A qualitative cost-benefit analysis based on strategic and feasibility criteria indicate that the benefits of entering the market outweigh potential costs especially as (1) employer and university branding provides a unique strategic position, (2) complementary markets allows operational and reputational synergies and (3) most resources such as partnerships with HEIs, capabilities of sales rep and the NY office with geographic reach towards a cluster of HEIs, are already in place and can be deployed in short-term to launch its new business (see Annex 7).

Subsequently, a Go-to-Market strategy was analyzed that builds on the investigated core values. By following a digital, ROI-driven low-cost strategy, Universum will be able to leverage the detected key competitive advantages and hence, allow the client to take over a distinctive role within the HE market. Based on the strategic positioning strategy, the client is expected to gain rapid market share through its existing partnerships with academic career offices as well as

through the contacts of interested participants derived from the conducted customer survey. Then, as soon as the client builds up trusted client relationships and achieves growth in the activation business, Universum can upsell its consulting and research services providing a continuous growth opportunity in the HE market (see Figure G).



Closing the circle of hypotheses testing, the three-step analysis provides significant input for the project team to recommend and encourage Universum to tap into the HE market. By presenting an area of an unaddressed customer need that Universum can serve, the defined first hypothesis (H1) that claims that university branding does present a viable business opportunity for the client, is confirmed. Ultimately, the project team identified a position for Universum within the HE market that enables the client to avoid a cut-throat competition by launching its Brand Activation services that leverages on the client's UVP from its current Employer Branding business. Hence, by following a digital, result-driven low-cost strategy, the second hypothesis (H2) stating that Universum can enter the market by leveraging existing competitive advantages, can be recognized as tested and valid.

2.5 Final deliverables to the client

Those recommendations were handed to the client in form of four main project deliverables. The complete set entailed firstly a business case (PowerPoint slide deck) that summarizes results including the full scope of key research findings, quantitative data, strategic insights and best practices. This report was subdivided into six sections, namely (1) Executive Summary, (2) Trend Analysis, (3) Competitor Analysis, (4) Customer Analysis, (5) Strategy Analysis and Recommendation (6). Secondly, a target customer list (Excel file) was provided to the client comprising of contact information of the surveyed HEI marketing personnel with key data on survey responses and customer potentials. Thirdly, a competitor list (Excel file) containing the 25 analyzed HE banding competitors with in-depth information on profiles, target markets, offerings and best practices was delivered to Universum. Ultimately, all information were initially presented to our project sponsor, Melissa Murray, President Americas, and subsequently to an executive group within Universum comprising of Americas Head of Marketing, the Head of University Relations and the Vice President of Advisory Services.

2.6 Challenges – Result Gaps and Process Revisions

Reflecting on the results, the specific recommendations given to the client fulfilled the objectives of the BP. However, it became evident that constant revisions of processes and actions were necessary in order to close the continuously evolving result gaps throughout the project. The most significant process revisions were subject of critical strategic decisions that were made throughout the project and which can be summarized as (1) discarding a commercial segmentation and finding a practical approach to target potential customers and (2) shifting focus to qualitative interviews in the customer survey by using expert insights.

2.6.1 Discarding a Commercial Segmentation

To ensure the feasibility and significance of an empirical customer analysis, an initial market segmentation was conducted. The intention was to identify the US HE market segment with the

largest potential for university branding services, which would form the sample base for the survey. After mapping a wide range of customer and “product” dimensions, including HEI tiers, undergraduate and graduate programs, and private and public institutions, a qualitative analysis on the segment attractiveness was conducted based on Frank et al.’s (1972) six criteria for effective segmentation, i.e. *identifiability*, *substantiality*, *accessibility*, *stability*, *responsiveness* and *actionability*. However, after analyzing the customer survey, assessing competitor behavior and incorporating feedback from HE branding experts, the commercial segmentation approach showed little relevance to the empirical reality of the US HE market. The diversity of institutional forms, the complexity of brand governance models and the divergence in funding structures indicated that consistent demand patterns would be difficult to validate, which undermined the *responsiveness* criterion for the identified customer segments. This created a result gap to the client’s objective to receive insights on potential segments.

In order to bridge the gap, a recommendation was presented that was based on an empirically motivated resource-driven approach (see Annex 8). This approach would first leverage referrals within Universum’s existing university network as well as contacts of survey respondents to pursue a more exploitative approach in the pilot phase and quickly build up the reputation to scale up. Further, best practice insights from incumbents were given suggesting practical and cost-efficient target approaches such as a focus on geographic clusters of HEIs to maximize Universum’s sales efficiency. Thus, while customer segmentation criteria were considered indicatively, the proposal offers the client a more practical targeting approach.

2.6.2 Shifting Focus to Qualitative Interviews in Customer Survey

The problem analysis focused mainly on contrasting customer needs, competitor offerings and Universum’s current products. In regard to the customer analysis, as many HEIs as possible have been addressed. Although no explicit response rate was agreed on, the client aimed at substantiating conclusions based on statistically significant data. Therefore, 300 university Chief

Marketing Officers (CMOs) have been sourced. As initially only 7 responses to our survey were registered, a critical result gap evolved that followed to revised actions to noticeably boost the response rate. First, reminder mails with additional incentives granting each survey participant access to shared benchmark results was sent out. Secondly, about 120 reminder calls were conducted. The efforts increased the responses from 7 to 15, however to mitigate the risk of overreliance on insignificantly few HEI responses, a focus on expert interviews in the field of university branding were put. A total of 11 interviews was conducted, five with external practitioners, and six with university representatives. From one of the experts, we received the details of 300 additional CMO contacts at US HEIs, which marked the key turning point in customer analysis.

Continuous revisions of our actions helped to not only boost responses from 15 to 27, but also to gain access to key expert opinions and market insights (see Annex 9). The latter was critical for the project success, as the few qualitative interviews provided a much deeper understanding of the complexity of the HE market. Hence, taking academic and professional expertise into account, the decision to shift focus from quantitative to qualitative research was critical, as it helped to bridge the result gap of the core deliverable expected by the client.

2.7 Discussion and Limitations

The two examples of key process revisions indicate how the consultant has strived to meet the challenging expectations of the client by continuously incorporating feedback and adjusting actions accordingly to close evolved result gaps. This process method led to a final business case that met the client expectations through a well motivated recommendation for Universum promoting a strategy to enter the HE market. However, achieving the final client deliverables required a complex, cumbersome and often ambiguous process of ad-hoc revisions and strategic adjustments that revealed a lack of effectiveness and full risk appreciation (Argyris, 1977). Moreover, a reflection on the work done showed that the client's objectives on a person-level

have not fully grasped. Having questioned the governing variables and assumptions of the client instead of only focussing to reply on given tasks, might have helped to provide solutions that would have addressed the root-cause of the problem. In conclusion, the study has successfully closed or at least bridged evolved result gaps but lacked in some aspects a deeper understanding of the client's underlying problems, critical to effectively solve shortcomings.

2.8 Individual Contribution

Looking at the work done, the greatest contribution from my personal perspective was in regard of the strategy analysis. The 'Three Circles' framework was an idea promoted and generated from my side. In this regard I took over a major role in expanding this method bringing all results together by incorporating the company, customer and competitor analysis. Also in regard of presenting those results, the knowledge about content of the 'Three Circles' was fundamental in order to create a transition to the Blue Ocean Strategy, which was a theoretical construct often discussed by various stakeholders of the project. This end-to-end understanding of the project helped to develop and articulate a well motivated recommendation to the client and the university and was thus, a critical contribution for the success of the BP.

III. Academic Discussion

3.1 Links with M.Sc. Management

The M.Sc. Management program and in particular the major in Strategy and International Business is focussing on facilitating the directions of future business leaders to companies. Moreover, the Handbook of the program describes the motivation to select this area of expertise with the following: "To build a sustainable competitive advantage, companies need to understand their customers and competitors, their strengths and weaknesses, the complex business and institutional environments, and the existing resource constraints." (Nova 2016).

The given BP and the underlying objective of Universum build perfectly on the theory taught within the Management program at Nova. Universum is facing a key strategic decision and hence, carefully needs to consider its internal capabilities as well as external factors, in particular its customer and competitor landscape, in order to decide for a Go-to-Market strategy. The theories and frameworks used in this project are partially based on the content of the courses *Strategy – Managing Competitive Advantage* (J. Lobo), *International Business* (E. Gomes) and *Business Strategy and Practice* (L. Rodrigues).

3.2 Relevant theories and Empirical studies

As comprehensively discussed in the methodology part (see section 3.3), this practical consulting project is fundamentally based on a theoretical-based approach. As simple frameworks such as SWOT, ‘Three Circles’ or PESTEL bring little additional value to an academic discussion, a focus will be put on the Blue Ocean Strategy that was used to provide Universum with a positioning strategy build on the established value factors of the company.

The Blue Ocean Strategy (BOS) was selected as it provides an insightful theoretical construct to assess a positioning scheme within a given market (Kim and Mauborgne 2004). This systematic approach was invented by the professors Chan Kim and Renée Mauborgne who have been working together at INSEAD for the past 30 years in order “to identify the requirements for strategic success and challenging organizations, nations and individuals” (INSEAD 2016). By identifying an untapped market space that leverages on an UVP, a company might avoid cut-throat competition and hence, ensures future profitable growth and increase the resilience of its business model (Hollensen 2013). Further, a BOS reconciles the trade-off inherent to differentiation and cost leadership and combines these activities by creating new value for the firm and customers alike. With a differentiated product at lower cost, successful BOS can at best “make competition irrelevant by providing a leap in value creation” (Rothaermel 2016). To generate value innovations, companies use four different levers: (1) Eliminate, (2) Reduce, (3)

Raise and (4) Create. The first two levers attempt to lower cost by eliminating some taken-for-granted industry factors and reducing others below the industry standard. On the other hand, (3) and (4) aim at increasing the perceived consumer benefits by raising existing success factors above the industry standard and creating new ones. This strategy ideally results in a value curve that is highly distinct from the industry, and simultaneously inherently consistent to avoid being 'stuck in the middle' of differentiation and cost leadership (Kim and Mauborgne 2015). In contrary, a Red Ocean occurs when a company's value curve converges with its competitors. This is the known market space of most existing industries in which a company is forced to outperform its competitors either on price or quality. The consequence is a denial of distinctive strengths of a firm, which leads to a commoditization of products, an increase of cut-throat competition and eventually a reduction of profits and growth. Hence, by not competing in an overcrowded market and fighting over "a bigger slice of existing demand", companies can make its rivals irrelevant. Further, McGrath et al. (2004) adds by saying that using BOS "to spark creative changes in your unit of business will ensure an exceptional business growth for the company".

However, Hollensen (2013) also pronounces criticism by building a case about a "The Blue Ocean that disappeared". With practical insights, he presents findings that explains how a company that creates a BOS rapidly with the right UVP at the right time, may be short-term oriented. Consequently, a re-transformation into a Red Ocean within 1-2 years is possible, as the company might forget to safeguard its competitiveness. Therefore, Hollensen (2013) stresses a constant "need for reformulating the strategy through a dynamic and creative process in order not to turn the Blue Ocean into a Red Ocean again".

While those studies are mainly related in its core to the corporate sector at large, Lindič et al. (2012) expands a BOS to economic policy-related topics and Yang (2012) towards the specific hospitality sector. Only recently, Kim and Mauborgne (2014) applied their disruptive BOS to the

discipline of leadership with the aim to provide a systematic approach that uncovers leadership acts, which inspire employees and convert them into engaged stakeholders of the company. This notion is subsumed under the term Blue Ocean Leadership and presents the most recent fundamental study on Blue Oceans.

3.3 Limitations and Implication for theory and future research

Although this report evaluated in-depth the company Universum and its potential to use a BOS that positions the client outside the area of competing incumbents, one critical study limitations need to be acknowledged. The market analysis, in particular regarding its competitors hinges exclusively on desktop research and secondary studies. As the competitor landscape was rather used as indicator to define the market maturity of university branding, instead of a source to derive specific service offerings, price points or strategies, no primary research in form of interviews was conducted. Hence, this analysis might not have been sufficiently substantiated to implement Universum's positioning strategy without validating the incumbents' value factors more in-depth.

Therefore, practical implications for future research on BOS would firstly require a deeper understanding of the HE branding sector with a focus on the competitive landscape. Having sufficient insights on this rather specific market, would allow a deep dive into Blue Ocean opportunities for HEIs. Not only do public or private non-profit institutions follow a strategic focus based on a red ocean approach but also lack innovative guides when dealing with brand activities. Looking into the possibility to create a blue ocean within the educational sector might support HEIs to stand out of the crowd of the growing competition and attract new students with high demand sophistication. Empirical studies on HEIs that might benefit from neglecting to benchmark themselves according to rankings, is from utmost academic and practical interest as established university tiers (see Ivy league or Russel Group) are difficult to break. Hence, niche universities could have a distinguishing advantage by using a BOS that puts them in an

uncontested market within the HE sector. To sum up, expanding the BOS approach to the so-far underappreciated HE sector could bring empirical insights useful for academic and professional purposes.

IV. Personal Reflection

4.1 Personal experience

Reflecting on the BP, it becomes evident that expectations put on the students go beyond a regular student consultancy project as it integrates a learning experience that tries to manage theory, practice and team management at the same time. In particular, the efforts to integrate theoretical concepts did conflict in many times with the practical mindset of the client. Vis-à-vis by facing a little appreciation in theory, the client was also reluctant to share information that the project could use to advance its academic foundation. This lack of information access was enhanced as the client described the project as testing of specific hypotheses in regard of the business opportunity for Universum within the HE market. Other aspects including the purpose and rationale behind the idea of moving into university branding were considered not relevant for the BP but still would have been from significance for the consultant in order to pursue an out-of-the-box solution with potentially higher value for the client.

Also the team experience has been critical as our group, which valued hard-work, instructions and work-life balance very differently, was composed of very heterogeneous personalities. Yet, the difference in task-oriented group members who concentrate on subject matter while others have been more person-oriented brought favorable aspects in terms of complementary knowledge, skills and attitudes to the team. Hence, the critical challenge has been less on the content-side but rather on the aspect to manage all different stakeholders effectively throughout the BP.

4.2 Lessons learned

Looking back on the challenges, I believe to have undergone an incredibly enriching growth journey. Among the key learning experiences, three personal challenges proved to be the most difficult obstacles to conquer, and eventually evolved into important drivers of positive change.

From a team perspective, we have learned to not only manage the internal tensions that initially arose due to diverging personalities, but have gained a deeper understanding of each other's assumptions, motives and behaviors. This has allowed us to complement our strengths, establish mechanisms to mitigate sources of conflict and create an environment of mutual trust.

Secondly, we were taught critical lessons on effective client and project management. We have come to understand that aligning the client's and consultants' expectations transparently is a key prerequisite. However, what has most impacted our learning is the power of scrutinizing one's often preconceived assumptions about other parties' motives and how the process of questioning underlying motivations can improve performance leading to better deliverables.

Finally, having faced the challenging task to reconcile the diverging demands from Universum (practice) and us (theory), we concluded that our theory-powered lense has made an important contribution to our practical solutions for the client. The reflective and critical lenses shaped our recognition of market complexities and facilitated our strategic insights to the client. At the same time, we have found evidence for the necessity of practice informing theory throughout our various process revisions and learning iterations.

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VI. Appendix

Annex 1: Types of higher education programs

Three main types of higher education programs in the US	
Undergraduate Programs	<ul style="list-style-type: none"> ▪ In general four years, i.e. two freshmen years of general studies and two years of specialized major study. ▪ Two-year undergraduate programs are offered by associate colleges. ▪ In 2014, there were 1113 associate colleges across the US enrolling 6.5 million students and 2377 4-year colleges/universities enrolling 12.5 million students (Carnegie Classifications, 2015).
Graduate Programs	<ul style="list-style-type: none"> ▪ Graduate programs offer advanced academic degrees of one or two years in a chosen and often specialized field and require an undergraduate degree ▪ Four-year PhD program can be conducted at most graduate schools. ▪ In 2015, 2016 institutions provided graduate education and 948.000 degrees were conferred in 2013-14 (Carnegie Classifications, 2015).
MBA Programs	<ul style="list-style-type: none"> ▪ Many leading business schools offer MBA programs of two to five years in different fields, such as marketing, finance, strategy. ▪ To be eligible for an MBA program, candidates must have pursued an undergraduate degree and often also have relevant work experience.

Source: Carnegie Classifications (2015)

Annex 2: Overview General Macro Trends in the US Higher Education

1) Reduced government funding and higher tuition

For public HEIs, governmental financial support including grants and loans for individual students is crucial. The last decade has seen several significant policy changes on HE funding due to the financial crisis and shrinking state budgets, resulting in a reduction of public funding (The Economist, 2014). To balance decreasing public funding, US universities are trying to find new revenue streams and ways to cut expenditures. One way of increasing revenue is to increase tuition, however many schools are already close to the limit of what students are willing and able to pay. Private universities are to a great extent dependent on donations from corporations, foundations and alumni. In times of financial crisis, donations are diminishing, hitting the private sector as well (The Economist, 2014).

2) Increasingly sophisticated demand

Students' decision-making process when choosing an academic institution is an extensive and complex process that requires a high level of involvement from the student. This is because it is an infrequent purchase associated with high investments in terms of time and money, combined with significant brand differences (Schoenfeld and Bruce, 2005). In line with high costs and multiple options, students increasingly consider themselves "buyers" of an education product; asking for customized education solutions and assessing if the career options after graduation are worth the cost of the education (The Economist, 2014). The increasingly sophisticated

expectations are changing the currently producer-driven business model to become more driven by consumer demands (The Economist, 2014).

3) Non-traditional students

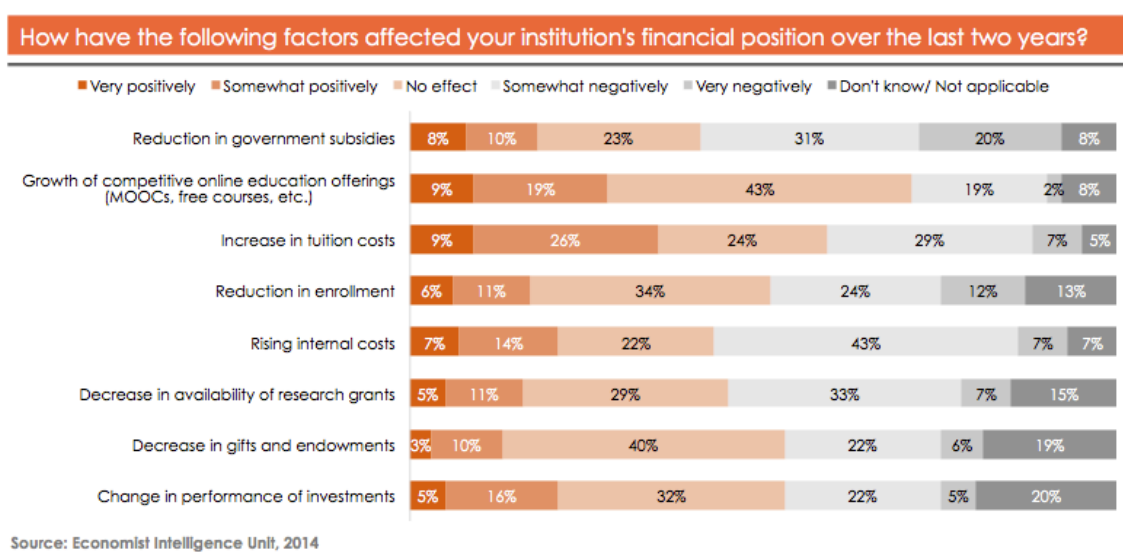
The number of adult students is significantly increasing in the US. The National Center for Education Statistics is predicting an increase of 20 percent for students over 25 between 2012 to 2023, whereas corresponding rate for students under 25 is expected to be 12 percent. Universities are meeting the needs of adult students and working professional with flexible programs, such as part-time, evening classes, and online courses (Hanover Research, 2015).

4) High potential in international students

In 2014, about five million students moved abroad to study, which is a significant increase from the 2.1 million international students in 2000. A majority of the international students (53 percent) comes from Asia. USA is the country where most students go to study abroad, followed by the UK, Germany and France. There is however a more recent trend indicating that an increasing number of international students choose to study in Australia and Canada or stay within their home region (University of Oxford, 2015). The potential in international students drive many universities to refocus their recruitment strategies and adapt their educational offerings by e.g. opening campuses abroad, partnering with foreign schools or offering online education (The Economist, 2014).

5) Online education

Technology-enabled teaching methods are a massive trend in higher education. 71 percent of institutions offer some type of distance courses (Hanover Research, 2015) and 61 percent think that online and distance courses will have the highest impact on higher education in the next five years (The Economist, 2014). Online and hybrid courses are not just a means of increasing revenue and reducing cost. Most respondents believe that online education will help universities extend their mission in education, attract more students and expand internationally.



Annex 3: SWOT Analysis

Strengths

- **Amount of data:** High quantity and historical reach (700,000 participating students).
- **Relationships/ Contacts:** Large pool of cooperating universities (approx. 450) and companies (approx. 1,200) on a global scale.
- **Niche player/ Size:** With operations in 58 countries, Universum is the global leader in Employer Branding, an emerging topic for companies.
- **Scalability:** Growth potential with low variable costs attached (strong fixed-cost depression).
- **Track record:** 27 years of experience in data collection, data analysis, market entry and sales.
- **Low-cost “sourcing”:** Gathering of free data through students in exchange for “benchmark reports”

Opportunities

- **Business expansion:** Replication of business model, technology and skills (e.g. University Branding).
- **Market expansion:** Organic growth still feasible as HR Branding becomes more and more important in emerging markets.
- **Business Development:** Focussing on software solutions (IRIS) and / or consulting activities (EVP).
- **Membership model:** Establish strategic long-term client relationship and ensure repeat purchases.

Weaknesses

- **Retention rate:** Only 55-56% of customers are purchasing services/ reports multiple times.
- **Consulting Business:** Strategic uncertainty regarding project size (small projects with small margins vs. large projects that require more resources).

Threats

- **Rising competition:** LinkedIn with substantial data that is not yet fully capitalized, agencies specialized on talent acquisition that can become more data-driven and reputable consulting agencies such as Deloitte Bersin that focus on (management) consulting can conquer market share.
- **Big data & (inhouse) analytics:** HR departments of large MNCs move towards data-driven improvement.
- **Market Volatility:** The market is characterized with high macroeconomic uncertainty as HR Branding represents a supporting activity but is not core for any company.

Annex 4: Customer Survey

I. University profile

What is the name of your university?

Which of the following alternatives best describes your university?

- ☐ Private (for-profit)
- ☐ Private (non-profit)
- ☐ Public

How many different faculties are there at the university?

Please specify which faculties there are at your university.

- ☐ Agriculture
- ☐ Architecture
- ☐ Biology
- ☐ Business
- ☐ Communications and Journalism
- ☐ Computer Sciences
- ☐ Education
- ☐ Engineering
- ☐ Law
- ☐ Liberal Arts and Humanities
- ☐ Medical and Health Professions
- ☐ Physical Sciences
- ☐ Psychology
- ☐ Visual and Performing Arts
- ☐ Others. Please specify:

Please specify the total number of graduate students at your university.

- ☐ Under 2,000
- ☐ 2,000 - 6,000
- ☐ More than 6,000
-

What other types of courses does your university offer?

- ☐ Online courses (MOOC)
- ☐ Distance learning
- ☐ Others. Please specify:
- ☐ None of the above

II. Current work with university branding

Which unit(s) at your university is (are) responsible for branding activities?

- ☐ Marketing & Communication
- ☐ Admission
- ☐ Others. Please specify:
-

Are university branding efforts integrated between different faculties or does each faculty have autonomy for their own branding?

- ☐ Integrated
- ☐ Faculty autonomy
- ☐ Other. Please specify:
-

Which of the following branding activities are you currently involved in?

- ☐ Traditional media (TV, Radio, print etc)
 - ☐ Social media (Facebook, youtube, twitter etc.)
 - ☐ Personal representation (fairs, on-campus presentation, etc.)
 - ☐ Alumni ambassador
 - ☐ Others. Please specify:
 - ☐ None of the above
-

Do you cooperate with external partners on branding?

- ☐ Yes
 - ☐ No
-

Which range best describes your annual budget for university branding purposes for the entire university?

- ☐ Under \$200,000
- ☐ \$200,000 - \$499,999
- ☐ \$500,000 - \$1,000,000
- ☐ More than \$1,000,000
- ☐ Do not want to specify

III. Branding motivation

Which of the following are the most important drivers of your branding strategy? Please rank according to importance by "Drag and Drop".

- Increase enrollment yield
- Attract international students
- Improve relative ranking position
- Increase revenues
- Attract corporate sponsors
- Improve alumni commitment
- Attract specific student segments
- Raise awareness

Other. Please specify:

Which of the following branding activities do you consider most valuable to achieve these objectives?

- ☐ Traditional media (TV, Radio, print etc)
- ☐ Social media (Facebook, youtube, twitter etc.)
- ☐ Personal representation (fairs, on-campus presentation, etc.)

IV. General attitude towards university branding

With which of the following statements on your current branding activities do you agree most?

- ☐ Our branding activities are excellent and need no further improvement
 - ☐ Our branding activities are good but need certain improvements
 - ☐ Our branding activities are underdeveloped
 - ☐ We have no defined branding activities
-

With which of the following statements on the strategic relevance of branding do you agree most?

- ☐ Branding is a key part of our strategy and important for our future
 - ☐ Branding is important but limited by constraints (e.g. budget, capabilities, etc.)
 - ☐ Branding is not yet a key component but will become so in the future
 - ☐ Branding does not play a significant role in our strategy
-

On a scale from 0-10, how satisfied are you with your current branding activities?

Not satisfied at all

Extremely satisfied

- | | | | | | | | | | | |
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V. University branding ambitions

Do you plan to focus your branding efforts on specific courses, programs or faculties?

- ☐ Yes
☐ No
-

Which audience would be especially important to target with the branding?

- ☐ US students within the home state
☐ US students from other states
☐ International students
☐ No particular audience, only potential students in general
-

Would you consider further support from external partners valuable?

- ☐ Yes
☐ Maybe
☐ No
-

Which type of information on potential students would be particularly valuable to you?
Please rank according to importance by "Drag and Drop".

Potential students' perception of your university

What potential students generally value when choosing a university

Characteristics and background of potential students

Students' preferences of communication channels

VI. Follow-up

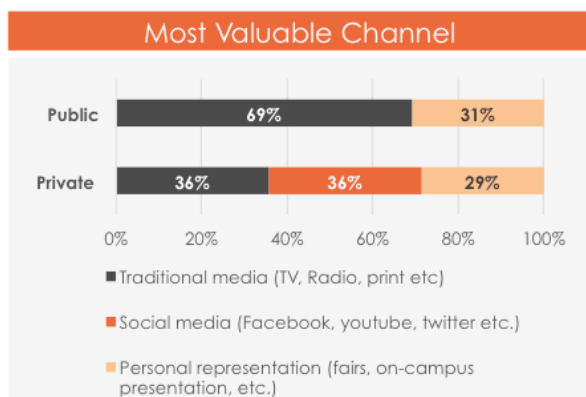
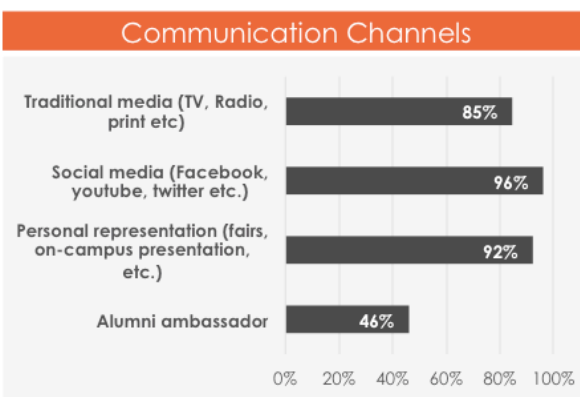
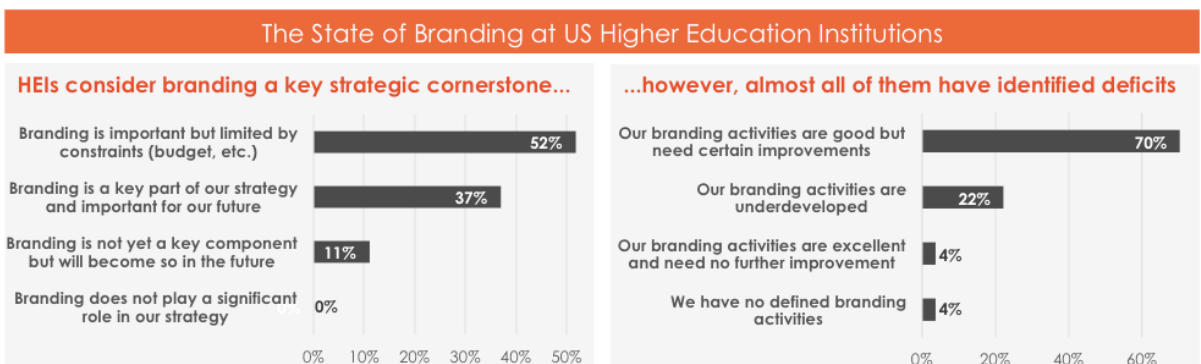
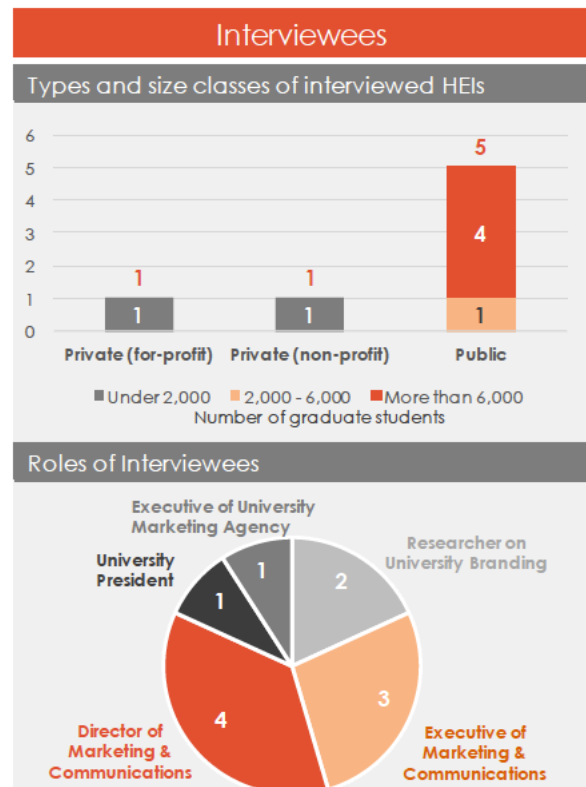
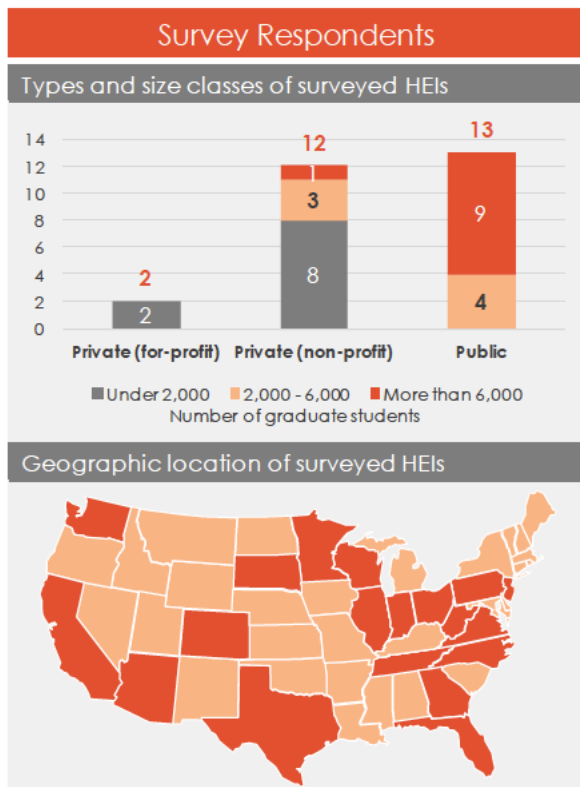
Would you be open to discussing your university branding efforts further?

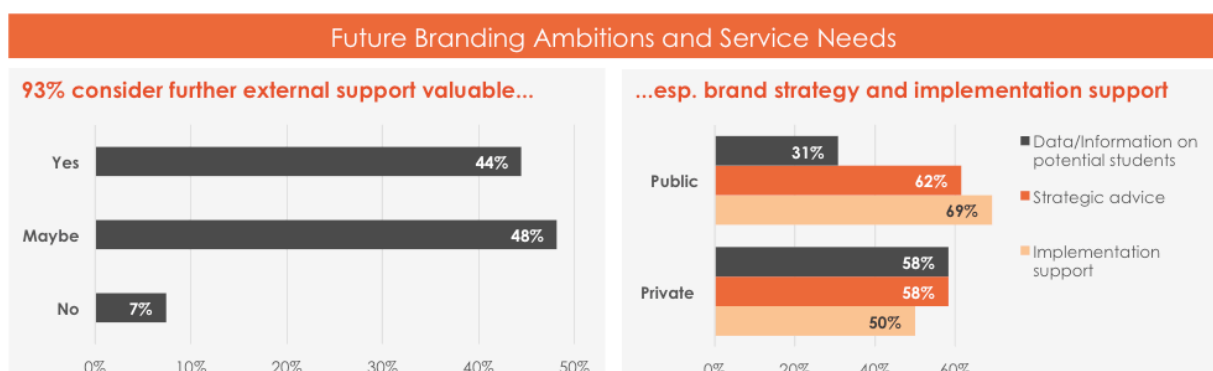
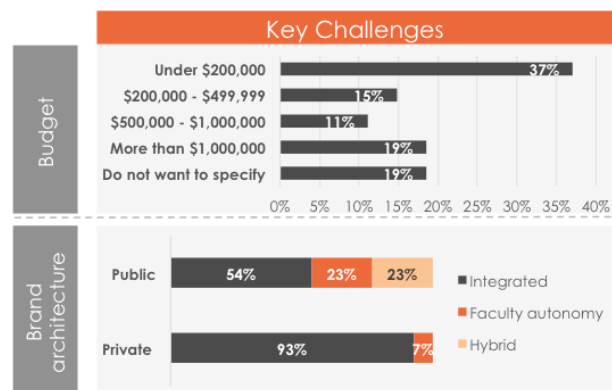
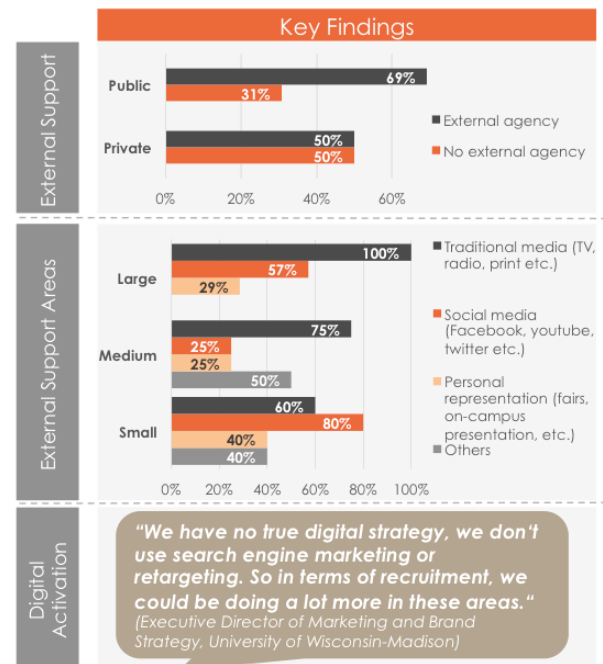
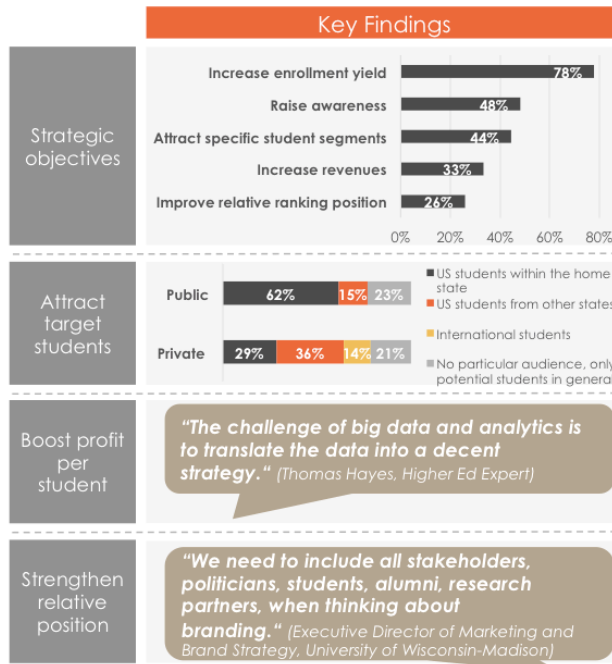
- ☒ Yes
☐ No
-

If so, who would be the contact person?

Under which contact number can we reach you?

Annex 5: Customer Survey Results





Annex 6: Competitor Analysis Summary

1. The average competitor is a mature US marketing agency focused on higher education.

With 21 out of 25 firms, the industry is highly concentrated in the US, which underscores its status as the most advanced higher education branding market globally. Strong competitors tend to be medium-sized integrated or digital marketing agencies (80%) with an extensive history of over 100 clients (75%) and more than a decade of operations. Almost 2/3 of the firms exclusively compete in the (higher) education market. Despite the maturity of top competitors, the digitization has attracted a growing number of tech-driven agencies in recent years, indicating the huge potential for boosting branding through data and technology.

2. Competitors are strong in consulting and creative activation, but face research constraints.

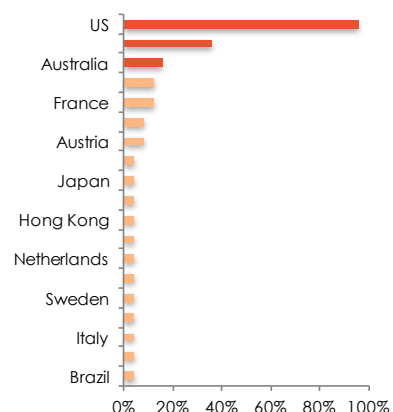
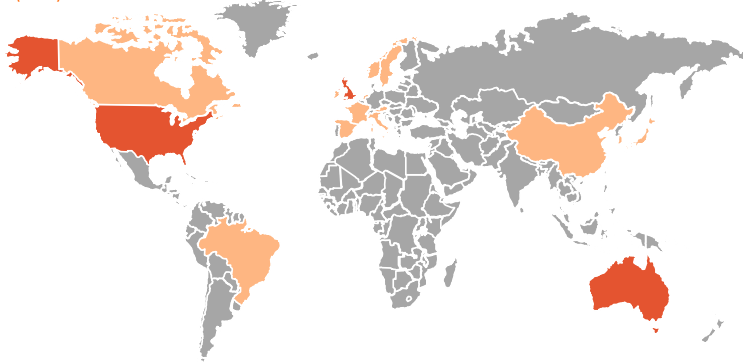
Most competitors provide a wide array of brand research, strategy, advertising and implementation services. Due to decades of sector expertise, the large marketing agencies have their core strength in strategic consulting, whereas younger digital marketing players excel in search engine and social media activation. However, the majority lacks sufficient resources and capabilities to conduct large-scale market studies on brand perception, student preferences or competitor benchmarking, so that external stakeholder research is often rather weak. Of the few research firms with student databases and regular surveys, none has access to longitudinal, in-depth and benchmarked preference data comparable to Universum, and surveys are exclusively national. Thus, given the pressures for differentiation, ranking performance and international recruitment, Universum seems well positioned to fill the market gap with their core competencies.

3. Competitors primarily target US private and public HEIs, and are rarely niche players.

84% of the firms serve both private and public institutions, which questions the correlation between ownership structure and branding budgets. Practically all competitors target US clients, followed by the UK (36%) and Australia (16%). The majority of brand projects was conducted with universities and liberal arts colleges on the highest level and very rarely faculty- or program-specific. Consequently, a distinction between the attractiveness of graduate and undergraduate programs was not possible. Projects for business and law schools were much less common and only significant for two competitors specializing in business schools. This supports the hypothesis that business schools tend to be more mature in branding and rather employ specialist advisors to further advance their campaigns. While it is unclear which segment is most profitable, Universum is well advised to address a wider market, as products are designed for scale and it lacks the expertise needed to serve niche schools only. Below figure provides an overview of competitors' target segments.

What client segments do competitors target?

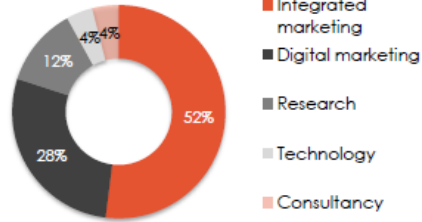
Countries
(in %)



Who are the competitors?

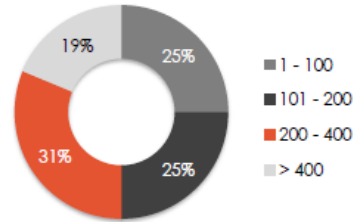
Business Model

(in %)



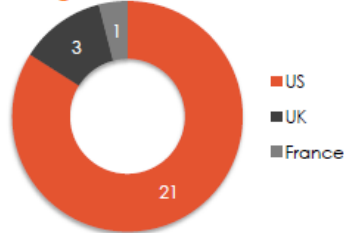
Clients served

(in %)



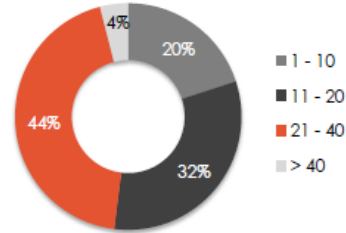
Country of origin

(absolute)



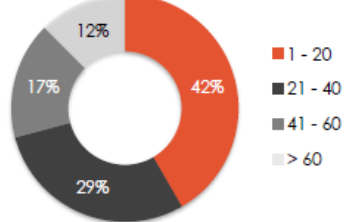
Years of operation

(in %)



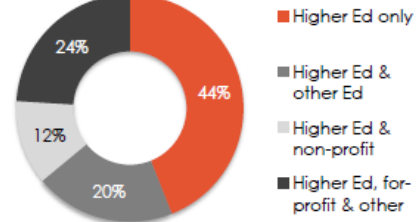
Employee number

(in %)











































Business units

(in %)








Competitor benchmarking

Category	#	Competitor	Research	Consulting	Activation
 Total Score	1.	Carnegie Communications			
	2.	Eduvantis Digital			
	3.	Lipman Hearne			
 Research	1.	YouthSight			
	2.	Carnegie Communications			
	3.	Hanover Research			
 Consulting	1.	Maguire Associates			
	2.	Eduvantis Digital			
	3.	mStoner			
 Activation	1.	Net Natives			
	2.	Lipman Hearne			
	3.	Elliance			

Annex 7: Cost-Benefit analysis

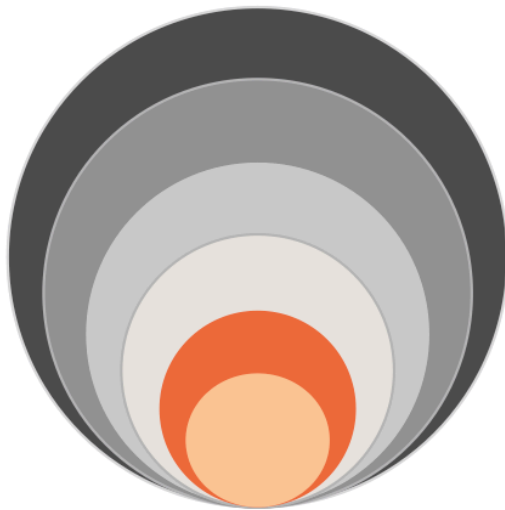
	Benefits	Costs
Strategy	Employer and university branding allows establishment of a talent ecosystem	Potentially negative reputational impact on current employer branding business
	Additional revenue streams to achieve strategic growth targets	Committing resources to university branding might hinder expansion in current business
	Realize scale effects from fixed-cost degression (HC cost)	Limited geographic scalability of university branding due to localized HE system
	Realize operational and reputational synergies from complementary markets	
Feasibility	Established data collection channels and methodology	Lack of market expertise on senior level might constrain scaling up of sales
	Partnership network with universities allows for referrals from career to marketing offices	Ramp-up investment (e.g. customer acquisition) increases initial cost base
	Sales rep capacity can be readily deployed towards university branding operations	
	No new offices needed as NYC office enables geographic reach to clusters of HEIs	
<p>The benefits of a Go-to-Market strategy outweigh the potential costs, substantiating the market entry. However, Universum must mitigate the identified risks, particularly of diluting its brand in the current business.</p>		

Annex 8: Challenge 1 – Discarding a Commercial Segmentation

Pilot Phase	Rollout Phase			
Short-term	Medium-term			
				
University Contacts	Geographic Location	Tuition Dependence	Large vs. Small Institutions	Specific Programs
Target partners and survey participants <ul style="list-style-type: none"> Address the existing university partnership network in the US to leverage internal referrals from career services to marketing and admissions departments and build on trusted relationships Target the interested survey participants Use these contacts as pilot candidates and test different product and pricing offerings 	Target lower-funded states with more HEIs <ul style="list-style-type: none"> Target states with low public funding per FTE student and thus on average higher enrollment pressure for public HEIs Identify and target geographic HEI concentrations to maximize sales effectiveness (e.g. 55% of private HEIs are concentrated in 13 East Coast states close to NY Office) 	Target more tuition-dependent HEIs <ul style="list-style-type: none"> Tuition-dependent HEIs (public and private) have often lower faculty governance, are more centralized and have a stronger sense of urgency in terms of marketing and branding Large research HEIs are often less concerned with enrollment and more diversified in funding 	Target different needs of large vs. small HEIs <ul style="list-style-type: none"> Target small (private) and niche HEIs for activation, which focus on social media to recruit and lack sufficient budget for traditional media. Target (underfunded) large public HEIs which often lack effective social media strategies and focus on recruiting home students. Upsell into research and consulting services 	Target HEIs with specific programs <ul style="list-style-type: none"> HEIs partly focus their branding on specific segments such as STEM, international, non-traditional students or students for professional niche programs Target these HEIs by stressing Universum's key competitive benefits in globally benchmarked insights and highly targeted student reach in terms of activation

Annex 9: Challenge 2 –Customer Survey funnel

The customer analysis is based on
27 survey responses and
10 qualitative interviews



4665

Total number of higher education institutions (HEIs) registered in the US¹

2004

Number of US HEIs offering postgraduate programs²

600

Number of HEIs addressed via survey mail (1450 mails sent incl. reminder mails)

117

Number of HEIs addressed via calls to take the survey (up to 4 calls per HEI)

27

Number of respondents who completed the survey

10

Number of respondents who participated in qualitative interviews